

### REMARKS/ARGUMENTS

Claims 1-31 and 36-39 are pending in the application. The Applicant hereby requests further examination and reconsideration of the application in view of these remarks.

On 03/30/04, the Examiner participated in a telephonic interview with the Applicant's attorney Steve Mendelsohn. The Applicant thanks the Examiner for the courtesy of that interview.

In paragraph 4 of the final office action, the Examiner rejected claims 1-2, 4-7, 12, 15-16, 18-22, 26-28, 31, and 36-39 under 35 U.S.C. 102(e) as being anticipated by Suzuki. In paragraph 6, the Examiner objected to claims 3, 8-11, 13-14, 17, 23-25, and 29-30 as being dependent upon a rejected base claim, but indicated that those claims would be allowable if rewritten in independent form. For the following reasons, the Applicant submits that all of the pending claims are allowable over the cited references.

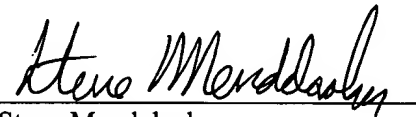
During the interview, the Examiner agreed that Suzuki does not teach the combination of features recited in claim 1. In particular, Suzuki does not teach a method for encoding a video stream, wherein "at least some motion information used during the motion-based predictive coding is excluded from the encoded video bitstream," as recited in claim 1. As such, the Applicant submits that claim 1 is allowable over Suzuki. For similar reasons and as described in detail in the response to the previous office action, the Applicant submits that claims 5, 15, and 20 are allowable over Suzuki. Since the rest of the claims depend variously from claims 1, 5, 15, and 20, it is further submitted that those claims are also allowable over Suzuki.

The Applicant submits therefore that the rejections of claims under Sections 102(e) have been overcome.

In view of the above remarks, the Applicant believes that the pending claims are in condition for allowance. Therefore, the Applicant believes that the entire application is now in condition for allowance, and early and favorable action is respectfully solicited.

Respectfully submitted,

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